



TESTIMONY
FINANCE COMMITTEE
Monday, April 9, 2015

SB 945, AN ACT CONCERNING THE TAX EXEMPT STATUS OF CERTAIN HOSPITAL FACILITIES

Yale New Haven Health System (YNHHS)-- Connecticut's leading healthcare system with over 20,000 employees and 6300 medical staff appreciates the opportunity to submit testimony opposing ***SB 945, AN ACT CONCERNING THE TAX EXEMPT STATUS OF CERTAIN HOSPITAL FACILITIES.***

The Yale New Haven Health System, through Bridgeport, Greenwich and Yale-New Haven Hospitals, and their affiliated organizations, including the North East Medical Group provides range of healthcare services, from primary care to the most complex care available anywhere in the world. Inside Yale-New Haven Children's Hospital, we care for more children than any other provider in the state. 55% of our kids are insured by Medicaid. We care for our State's most vulnerable population, by providing psychiatric care to children, young adults, adults and the elderly who come to us from every corner of Connecticut. The majority of these patients are also insured by Medicaid. At Bridgeport, we offer the State's only burn unit.

SB 945 seeks to require hospitals to pay property tax. And, while we recognize the proponents' desire to expand the local tax base, this is an additional cost that hospitals cannot afford. Yale New Haven Health System Medicaid losses are 42 cents on the dollar of cost now. If the proposed budget is adopted, our Medicaid loss will grow to 60 cents per dollar of cost.

YNHHS hospital affiliates care for more than one quarter of the State's Medicaid enrollees and, last year, provided **over \$180 million in free and uncompensated care** to those who needed our services and could not pay for them. Every day, our staff cares for individuals and families who lack access to medical, dental and behavioral health care. Our emergency departments are filled with individuals who do not have anywhere else to go for medical or mental health care. The Medicaid population is steadily growing, as is our Medicaid loss.

The Connecticut Hospital Association has estimated the 2-year direct impact of the budget before you for its members. For Yale New Haven Health, it is projected to be over \$285 million with the Medicaid cut and increased hospital tax. Investing in better care for the people of Connecticut is a good investment for the state. Destabilizing hospitals will reduce access to health care, cost jobs and negatively impact the very communities this bill seeks to help. We cannot endure another tax.

At Yale New Haven Health, we will continue to focus our energy and resources on quality and patient safety initiatives, efforts to improve care and those that maintain access. Our patients, employees and communities are relying on you. We urge you oppose SB 945.

Together with our patients and over 20,000 employees, we thank you for your consideration and support.